

MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION

Official Minutes

TABLE OF CONTENTS

June 14, 2006

COMMISSION/DIRECTOR ITEMS

Closed Meeting -----	3
Approval of Minutes -----	3
Consent Agenda -----	4
Reports of Commission Committees and Commission Related Boards -----	5
Director's Report -----	6

PUBLIC PRESENTATIONS

Springfield Chamber of Commerce, City of Springfield, Greene County -----	6
City of Hollister and Taney County -----	8
Stone County, Request for Improvements to Route 13 -----	9

POLICIES/ADMINISTRATIVE RULES

MHTC Policy – Delegation of Authority for Approval and Execution of Documents -----	10
Administrative Rules, Notice of Amended Rulemaking, 7 CSR 10-1.010, Description, Organization and Information -----	29

STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM

Consideration of Bids on Federal-Aid and State Projects -----	30
Roadway Location and/or Design Approval -----	34
Ratification of Approval of Right of Way Plans for Condemnation -----	34
Highway 63 Transportation Corporation; Appointment of Board Members -----	35

BUSINESS ISSUES

Recommendation for Approval of Underwriters for Series 2006 State Road Bonds and Authority to Procure and Execute a Qualified Swap Agreement for Series 2007 State Road Bonds -----	36
Budget, Fiscal Year 2007 -----	41
2006 Legislative Session Wrap-Up -----	44
Overview of Passenger Rail Projects and Passenger Rail Service Proposal -----	46
Rural Public Transit Marketing Program -----	48

--REPORTS--

Financial Report – Fiscal Year 2006	49
---	----

**MINUTES OF REGULARLY SCHEDULED HIGHWAYS AND
TRANSPORTATION COMMISSION MEETING HELD IN
SPRINGFIELD, MISSOURI, ON WEDNESDAY, JUNE 14, 2006**

A regularly scheduled meeting of the Missouri Highways and Transportation Commission was held on Wednesday, June 14, 2006, in the offices of City Utilities, 301 East Central, Springfield, Missouri. The meeting was called to order at 9:30 a.m. by Bill McKenna, Chairman. The following Commissioners were present: James B. Anderson, Duane S. Michie, Mike Kehoe, and David A. Gach. Having provided the Commission with notice of a previous commitment, Vice-Chairman Marjorie B. Schramm was absent.

The meeting had been called pursuant to Section 226.120 of the 2000 Revised Statutes of Missouri, as amended. The Secretary verified that notice of the meeting was posted in keeping with Section 610.020 of the 2000 Revised Statutes of Missouri, as amended.

Mr. Jim Shuler, Chief Financial Officer, of City Utilities, welcomed the Commission to Springfield and to City Utilities meeting facilities.

* * * * *

* * * * *

Pete Rahn, Director of the Missouri Department of Transportation, Rich Tiemeyer, Chief Counsel for the Commission, and Mari Ann Winters, Secretary to the Commission, were present on Wednesday, June 14, 2006.

* * * * *

*"Department" or "MoDOT" herein refers to Missouri Department of Transportation.
"Commission" or "MHTC" herein refers to Missouri Highways and Transportation
Commission.*

CLOSED MEETING

The agenda of the closed meeting was posted in keeping with Sections 610.020 and 610.022, RSMo., including the following statutory citations allowing the meeting to be closed:

1. Section 610.021(11), (12) – Specifications for competitive bidding, sealed bids, or negotiated contracts.
2. Section 610.021(1) – Legal actions and attorney-client privileged communications.
3. Section 610.021(3), (13) – Personnel administration regarding particular employees.

Immediately prior to closing its meeting at 8:00 a.m., and upon motion duly made and seconded to convene in closed session, the Chairman asked for a voice vote of the members. The vote was as follows:

Commissioner McKenna, Aye
Commissioner Michie, Aye
Commissioner Anderson, Aye
Commissioner Kehoe, Aye
Commissioner Gach, Aye

whereupon the Commission closed its meeting. The closed meeting recessed at 9:30 a.m., reconvened following adjournment of the open meeting, and adjourned at approximately 2:00 p.m.

* * * * *

APPROVAL OF MINUTES

Upon motion by Commissioner Anderson, seconded by Commissioner Gach, the Commission unanimously approved the minutes of the regularly scheduled meeting held on May 10, 2006. The Chairman and Secretary to the Commission were authorized and

directed to sign and certify said minutes and to file same in the office of the Secretary.

* * * * *

CONSENT AGENDA

Consent Agenda Process

In order to make the most efficient use of Commission meeting time and to ensure the Commission members are well informed on issues requiring their action, the staff prepares and submits to the Commission members, in advance of their meeting, internal memoranda consisting of advice, opinions, and recommendations related to the items on the Commission meeting agenda. Those items considered by the staff to be of a routine or noncontroversial nature are placed on a consent agenda. During the meeting, items can be removed from the consent agenda at the request of any one Commission member. The items that are not removed from the consent agenda are approved with a single motion and unanimous vote by a quorum of the members.

Minutes reflecting approval of items on the consent agenda are singly reported herein and intermingled with minutes reflecting action on related subjects that were openly discussed. Reference to "consent agenda" is made in each minute approved via the process described in the paragraph above. Minutes reflecting action on items removed from the consent agenda and openly discussed reflect the open discussion and vote thereon.

Consideration of June 14, 2006, Consent Agenda

Consent Agenda Item 1, "MHTC Policy – "Delegation of Authority for Approval and Execution of Documents," was removed from the Consent Agenda for discussion during the open session. Upon motion by Commissioner Michie, seconded by Commissioner Anderson, all remaining items on the June 14, 2006, consent agenda were unanimously approved.

* * * * *

REPORTS OF COMMISSION COMMITTEES AND COMMISSION RELATED BOARDS

The Commission has two committees: Audit and Legislative. In addition, it elects Commission representatives to two boards: Missouri Transportation Finance Corporation Board of Directors and MoDOT and Patrol Employees' Retirement System Board of Trustees. The following committee reports were made during the June 14, 2006, meeting.

Audit Committee – Commissioner Michie reported that members of the Audit Committee recently completed questionnaires as a result of a peer group audit review, and he emphasized the importance of peer group audits.

Missouri Transportation Finance Corporation – Commissioner Michie reported that the Missouri Transportation Finance Corporation Board of Directors met on Friday, June 9, 2006. The corporation is heightening its efforts to market the availability of funding to local areas for transportation improvements. The Board of Directors approved an amendment to the bylaws to allow an additional Commission member (total of three Commissioners) to service on the board. In addition, the Board of Directors approved a loan to the City of Lexington in the amount of \$60,000 to finance the rehabilitation of South and Franklin Streets in the city; these streets are main support routes to Routes 24 and 224.

MoDOT and Patrol Employees' Retirement System Board of Trustees – Commissioner Anderson reported that the MoDOT and Patrol Employees' Retirement System Board of Trustees would meet on June 22, 2006.

* * * * *

ELECTION OF MEMBER TO MISSOURI TRANSPORTATION FINANCE CORPORATION BOARD OF DIRECTORS

In keeping with a change in the bylaws of the Missouri Transportation Finance Corporation that increased the number of Highways and Transportation Commissioners to serve on the Missouri Transportation Finance Corporation's Board of Directors from two to three, Commissioner Michie nominated Commissioner Gach to fill the vacant

position. Commissioner Anderson seconded the motion and it was unanimously approved.

* * * * *

DIRECTOR'S REPORT

Director Pete Rahn, provided the following report:

Smooth Roads Initiative – Mr. Rahn reported that the Smooth Roads Initiative, which will bring 2,200 miles of major roadways up to good condition, is progressing extremely well. While citizens are experiencing some delays in work zones, they are also conveying satisfaction with the smoother riding surfaces. The target date for completion of the Smooth Roads Initiative is December 31, 2006.

Guard Cable – Mr. Rahn reported that the last segment of guard cable installation in the median on Interstate 70 had been completed. Installation of guard cable on Interstate Route 44 is nearing completion. The guard cable has been 94 percent effective in preventing vehicles from entering the opposing lanes of traffic, which most often results in head-on collisions and fatalities.

The Commissioners noted that the cost of installing and maintaining the guard cable is well justified by the significant reduction in potential fatalities.

Interstate Forum - On June 22, 2006, an Interstate Forum will be held at the Harry S. Truman School of Public Affairs, University of Missouri, Columbia. Statewide and national experts will be addressing the forum attendees.

Safety in Work Zones – Mr. Rahn reported that both MoDOT staff and roadway contractors have made safety in work zones a priority. He noted that in 2005, with a record number of work zones, there were fewer crashes and fatalities (15 fatalities) than in 2004 (28 fatalities).

* * * * *

PUBLIC PRESENTATION – SPRINGFIELD CHAMBER OF COMMERCE, CITY OF SPRINGFIELD, GREENE COUNTY

On behalf of the Springfield Chamber of Commerce, the City of Springfield, and Greene County, Mr. Brad Tate, Transportation Committee Chairman for the Springfield Chamber of Commerce, welcomed the Commission to Springfield and presented a video

highlighting the use of local partnering to achieve regional goals and complete major projects. The presentation included the following:

The five counties that comprise the Springfield metropolitan area have a population of approximately 400,000. In recent years, the Springfield metropolitan area comprised 7 percent of Missouri's workforce and created one out of every three new jobs in Missouri. Signs of the area's growth are evident by the revitalization of Downtown Springfield, development of an award winning park system, sports, entertainment, and other amenities common to an urban area. The area's growth has contributed to an increased demand on the transportation system. In 2002, Springfield was designated as Missouri's third Transportation Management Area.

Advancements in transportation in the Springfield/Greene County area have resulted from cooperative efforts among the city, county, and MoDOT. Local area transportation improvements have been made possible by a one-eighth cent sales tax increase that is used to match other funds available through MoDOT. Accelerating projects through cooperative efforts with MoDOT has resulted in significant savings to taxpayers by avoiding higher construction costs.

Future transportation needs include:

- Expansion of the Route 65 corridor to six lanes. The northern end of the project is the I-44/Route 65 interchange, which carries approximately 90,000 vehicles a day, far exceeding the design capacity. The southern end of the corridor, intersection of Route 60/Route 65, carries approximately 105,000 vehicles a day and has special challenges because it is located in the James River floodplain and includes an at-grade railroad crossing.
- Improvements to the James River Freeway and Glenstone Avenue interchange. Approximately 103,000 vehicles a day use this interchange, which is at the heart of Springfield's retail development.

- Improved north-south corridors to accommodate those commuting to Springfield to work, shop, go to school, or seek healthcare.

The Commission commended the Springfield delegation for the outstanding cooperative effort that has resulted in better transportation facilities for travelers in the Springfield/Greene County area.

* * * * *

PUBLIC PRESENTATION – CITY OF HOLLISTER AND TANEY COUNTY

Mr. Ron Herschend, Taney County Western District Commissioner, and Rick Zickefoose, city administrator for the City of Hollister, reported on the status of the Route 65 project in the City of Hollister.

Mr. Zickefoose said the Route 65 improvement in Hollister touches six MoDOT values and four MoDOT tangible results, as follows:

Values

MoDOT will honor its commitments.
MoDOT will encourage risk and accept failure.
MoDOT will provide the best value for every dollar spent.
MoDOT will be one team.
MoDOT will listen and seek to understand.
MoDOT will treat everyone with respect.

Tangible Results

Smoother, Unrestricted Roads and Bridges.
Partner with Others to Deliver Transportation Services.
Customer Involvement in Transportation Decision-Making.
Best Value for Every Dollar Spent.

Mr. Zickefoose noted that MoDOT had been very inclusive throughout the Route 65 project development and construction process. He emphasized that MoDOT had not only treated the local area with respect, but also provided mentoring and assistance. Mr.

Zickefoose said the investment return on the Route 65 project at Hollister would be extraordinary.

Mr. Zickefoose and Mr. Herschend expressed the appreciation of the Hollister community to the Commission and MoDOT staff for their positive, cooperative approach to transportation improvements.

* * * * *

**PUBLIC PRESENTATION - STONE COUNTY,
REQUEST FOR IMPROVEMENTS TO ROUTE 13**

Mr. George Cutbirth, Stone County Presiding Commissioner, commended the district staff in Springfield for working cooperatively with county officials on transportation issues. He expressed appreciation for improvements that are ongoing or have recently been completed in Stone County.

Mr. Cutbirth said Stone County is one of the fastest growing counties in the state and growth is projected to continue in the future. He reported that Stone County is attracting young families who desire to move to a wholesome environment to rear their children. He said that growth, coupled with extensive tourism, has created transportation congestion and challenges.

Mr. Cutbirth said there are only two primary routes in Stone County: Route 13 running north and south and Route 76 running east and west. He reported that major development was planned in the proximity of the Route 13/Route 76 intersection; traffic projections indicate the development will generate 28,000 vehicles per day.

Mr. Cutbirth stated that the county was working closely with MoDOT to find solutions. To assist in this effort the local area formed the Stone County Transportation Study Group that is working with a transportation consultant on a traffic assessment of

Route 76 from Branson West to the Highroad. They are looking at a new route from north of Kimberling City to Route 265 and beyond.

Mr. Cutbirth emphasized that Routes 13 and Route 76 represent their economic lifeblood. These routes provide the means for area residents to operate as a county. Mr. Cutbirth said in the absence of improvements, the county would face economic strangulation causing their economy to die. He asked the Commission to help the Stone County accomplish needed transportation improvements.

* * * * *

MHTC POLICY – DELEGATION OF AUTHORITY FOR APPROVAL AND EXECUTION OF DOCUMENTS

The Commission revised its Delegation of Authority for Approval and Execution of Documents. The policy was restructured and revised for clarity and included the following significant changes:

- Paragraph B3e – Authorized specific staff members to approve the assignment of road and bridge construction contracts from one contractor to another provided there is no additional cost or delay to the Commission.
- Paragraph C1 – Authorized specific staff members to approve expenditures and execute contracts within the line item appropriations of the respective fiscal year's Commission approved budget. As a result, the \$200,000 limit on single purchases for materials and \$25,000 limit for consultant services were eliminated.
- Paragraph E7 – Authorized specific staff members to dispose of excess property where the property is appraised and sold for less than \$200,000, regardless of whether the property is held in fee simple title or less than fee simple title. This change supersedes the Commission's August 9, 1996, action pertaining to disposal of excess property.
- Paragraph E8 – Authorized specific staff members to execute leases for airspace, maintenance lots, and other property in addition to property acquired for roadway construction.
- Paragraph G2 – Authorized specific staff members to approve and execute documents allowing attachments to bridges.

The updated policy is printed below in its entirety.

**MHTC Policy
Delegation of Authority
For Approval and Execution of Documents**

Table of Contents

A. General Provisions	
1. Unique, Sensitive, and/or Controversial Transactions	Page 1
2. Budget and Transportation Program Compliance	Page 1
3. Delegation of Authority	Page 1
4. Authority extended to District Engineers' Immediate Assistants	Page 1
5. Staff Delegation to Others	Page 1
6. Approval as to form/Attestation/Seal/Facsimile Signature	Page 1-2
7. Effective Date	Page 2
 B. Statewide Transportation Improvement Program	
1. Award of Construction Contracts	Page 2
a. Emergency Work	
b. Maintenance by Contract	
2. Construction Change Orders	Page 2
3. Construction Contract Administration	Page 2-3
a. Arbitration Agreements	
b. Contractor Claims Administrative Settlements	
c. Construction Claims Negotiations	
d. Escrow of Bid Documents	
e. Assignment of Road and Bridge Construction Contracts	
4. Consultant Contracts	Page 3-4
a. Projects Identified for Engineering in the STIP	
b. Hourly Rate Engineering Services Contracts on Highway Projects	
5. Environmental Approvals	Page 4
6. Environmental Damage Mitigation	Page 4
7. Joint STIP Projects	Page 4-5
a. Governmental Agencies and Others	
b. Innovative Finance/Project Acceleration	
c. Economic Development	
d. Transportation Corporations and Development Districts	
(1) Transportation Corporations	
(2) Transportation Development Districts	
8. Multimodal Operations Work Program	Page 5
9. Right-of-Way Acquisition and Relocation	Page 5
a. Firm Offers	
b. Acquisition Agreements	
10. Sales Tax Exemption Certificates	Page 6
11. Statewide Transportation Improvement Program Implementation	Page 6

C. Operating Budget	
1. Operating Budget Appropriations	Page 6
2. Capital Improvement Plan	Page 6-7
a. Bids/Contracts	
b. Capital Improvement Plan Construction Change Orders	
c. Hourly Rate Architectural/Engineering Services, Capital Improvements	
3. Joint Non-STIP Related Projects	Page 7
4. Materials Standardization Services	Page 7
5. Consultant Statewide Engineering Services Contracts	Page 7
6. State Planning and Research Funds	Page 7-8
D. Funds Transfers and Reimbursement Agreements	
1. Funds Transfers	Page 8
2. Federal Agencies	Page 8
3. Automated Clearinghouse	Page 8
4. Electronic Grant Management System	Page 8
5. Electronic Clearinghouse System	Page 8
6. Electronic Grant Tracking System	Page 9
E. Conveyance of Commission Assets	
1. Limited Access Roadways	Page 9
2. Annexation	Page 9
3. Changes in Route Status	Page 9
4. Checks	Page 9
5. Easements	Page 9
6. Equipment	Page 10
a. Titles – Equipment	
b. Titles – Lien Releases	
c. Titles and Sales Contracts – Mobile Homes and Other Improvements	
7. Excess Property	Page 10
a. Less than \$200,000	
b. Sales Agreements	
8. Use of Commission Property	Page 10
F. Commission Use of Private and Other Public Assets	
1. Acceptance of Conveyances	Page 11
2. Leases	Page 11
G. Operations	
1. Adopt-A-Highway Agreements	Page 11
2. Bridge Attachments	Page 11
3. Bridge Inspection Contracts – Local Agency	Page 11
4. Highway Safety Program Operations	Page 11
5. Lighting	Page 11

6. Maintenance Agreements	Page 12
7. Motor Carrier and Rail Industry Operations	Page 12
8. Operations Implementation	Page 12
9. Permits	Page 12
10. Rail/Highway Crossings	Page 12
11. Signals	Page 12
12. Signs	Page 12-13
a. Logo Signs	
b. Crossings	
c. Major Traffic Generators	
13. Speed Limits/Parking Restrictions	Page 13
a. Speed Limit Changes	
b. Parking Restrictions	
H. Administrative Settlements	
1. Contractor Claims	Page 13
2. Right of Way	Page 13
3. Employees	Page 13
a. Civil Rights Conciliation or Settlements	
b. Employment Grievances	
4. Insurance Claims	Page 13-14
a. Insurance Claims against Others/Receipts/Payments	
b. Insurance Claims against MoDOT	
5. Rail Industry Safety	Page 14
6. Motor Carrier Industry	Page 14
I. Legal Documents	
1. Pleadings and Settlement Authority	Page 14
2. Expert Witness/Consultant Services	Page 14
3. Private Counsel	Page 14-15
a. Condemnation	
b. Fleet vehicle liability	
c. General liability	
d. Human Resources	
e. Property damage	
f. Workers' compensation and workers' compensation subrogation	
g. Other cases in which the Chief Counsel determines that such representation will further the interest of the Commission; however, a representation which in the opinion of the Chief Counsel is not routine and is unique or sensitive will be discussed with the Commission before counsel is retained	

**MHTC POLICY
DELEGATION OF AUTHORITY
FOR APPROVAL AND EXECUTION OF DOCUMENTS**

A. General Provisions

1. **Unique, Sensitive, and/or Controversial Transactions:** Notwithstanding the delegation of authority for approval and execution of documents noted below, all unique, sensitive, and/or controversial transactions will be submitted to the Commission.
2. **Budget and Transportation Program Compliance:** The documents executed via the authority delegated below must not incur costs beyond those contemplated by the Commission-approved Statewide Transportation Improvement Program and/or the MoDOT Operating Budget.
3. **Delegation of Authority:** The Director, Chief Engineer, and Chief Financial Officer are each authorized to approve and execute documents and expend funds on behalf of the Missouri Highways and Transportation Commission as identified in Paragraphs B through G below, and subject to the provisions therein. Further, the Director of Program Delivery, Director of System Management, and Deputy Administrative Officer, are authorized to approve and execute documents and expend funds subject to the provisions below and restricted to his/her respective area of operation.
4. **Authority extended to District Engineers' Immediate Assistants:** In those areas specified below where the District Engineer is authorized to execute documents and expend funds, like authority is extended to the respective district's Assistant District Engineers and Assistants to the District Engineer.
5. **Staff Delegation to Others:** Where the Commission has authorized the staff to designate "others," such designation must be by written advisory from the Director, Chief Engineer, Chief Financial Officer, Chief Counsel, Director of Program Delivery, Director of System Management, or Deputy Administrative Officer to the Secretary to the Commission.
6. **Approval as to form/Attestation/Seal/Facsimile Signature:** All documents executed on behalf of the Commission and referenced herein shall be approved as to form by the Chief Counsel or an authorized Assistant Counsel, executed by an authorized Commission representative, and attested to by the Secretary who shall affix the official seal of the Missouri Highways and Transportation Commission; however, documents that are on the Chief Counsel's Office's approved list of contract forms as filed with the Secretary, provided there are no deviations from the form, may be executed by the authorized Commission representative without approval as to form,

attestation, or affixing the seal. The Secretary is authorized to place a facsimile signature on all copies of documents when the original bears the signature of the person authorized to execute the document.

7. **Effective Date:** The delegation of authority and authorization herein supersedes any prior policy related to delegating authority for approval and execution of documents and is effective June 14, 2006.

B. Statewide Transportation Improvement Program - The Statewide Transportation Improvement Program (STIP), which includes the Five-Year Highway and Bridge Construction Schedule and the Multimodal Operations Work Program, must be approved by the Commission.

1. **Award of Construction Contracts:** The Commission shall approve bids and award all roadway and bridge contracts, except as otherwise specifically designated by the Commission in subparagraphs a and b below. Commission awarded contracts may be executed by any one of the staff noted in paragraph A3.
 - a. **Emergency Work:** Any one of the staff noted in paragraph A3 or the respective District Engineer is authorized to execute contracts for emergency roadway, bridge, and/or other transportation facility repairs, structure demolition, and/or services necessary for the benefit of public safety.
 - b. **Maintenance by Contract:** Any one of the staff noted in paragraph A3 or the State Maintenance Engineer may determine the responsiveness of bids requested and award and execute roadway maintenance contracts in the amount of \$200,000 or less.
2. **Construction Change Orders:** Change orders may be executed as delegated by the Director; however, revisions in the contract amounts meeting any of the three following criteria must have the concurrent approval of the Chief Engineer and Chief Financial Officer: (1) additions greater than 50% if the original contract amount was \$500,000 or less; (2) additions greater than 25% if the original contract amount was greater than \$500,000; or (3) additions greater than \$1,000,000
3. **Construction Contract Administration:**
 - a. **Arbitration Agreements:** Arbitration agreements in connection with highway construction projects, which are not provided for in a construction contract, may be executed by any one of the staff noted in paragraph A3.

- b. **Contractor Claims Administrative Settlements:** The Director of Program Delivery and Chief Financial Officer or their designees are authorized to concurrently settle contractor claims in the amount of \$250,000 or less. The Chief Engineer and Chief Financial Officer are authorized to concurrently settle contractor claims in the amount of \$1,000,000 or less.
 - c. **Construction Claims Negotiations:** Contracts with third party consultants in the amount of \$200,000 or less to provide services in the analysis and resolution of claims by negotiation, as well as in mediations, and the defense of arbitration demands and litigation defense may be executed by any one of the staff noted in paragraph A3.
 - d. **Escrow of Bid Documents:** Any one of the staff noted in paragraph A3 or others specifically designated by any one of the aforementioned in a document filed with the Secretary to the Commission, are authorized to execute agreements, affidavits, and related documents and expend funds for costs associated with the rental of safe deposit boxes, and for the opening and closing of escrow accounts using those safe deposit boxes, for the escrow of contractors and Departmental bidding records, in accordance with Commission policy.
 - e. **Assignment of Road and Bridge Construction Contracts:** Any one of the staff noted in paragraph A3 may execute documents assigning road and bridge construction contracts from one contractor to another provided that (1) the reassignment incurs no additional cost or delay for the Commission, and (2) the original contract bond is not released, cancelled, voided, or terminated, but the surety agrees to keep that performance and payment bond coverage in full force and effect for the new contractor as the successor principal on that contract and bond.
4. **Consultant Contracts:**
- a. **Projects Identified for Engineering in the STIP:** Contracts for engineering services on projects identified in the STIP may be executed by any one of the staff noted in paragraph A3 provided the contract has been selected in keeping with provisions of Chapter 8 of the Revised Statutes of Missouri for retaining engineering services.
 - b. **Hourly Rate Engineering Services Contracts on Highway Projects:** Master agreements for hourly rate professional engineering services on highway projects, limited to \$100,000 per single work order, for a period of three years plus a one-year extension option based on the consultant's performance may be executed by any one of the staff noted in paragraph A3 provided selection is in keeping with Chapter 8 of the Revised Statutes of Missouri. Any one of the staff noted in paragraph A3, District Engineers, or division leaders may execute individual work

orders for services to be performed in his/her respective district or division under the terms of the master agreement.

5. **Environmental Approvals:** Documents required by a federal or state regulatory agency prior to authorizing MoDOT to proceed with planning, design, and construction of a proposed project may be approved and executed by any one of the staff noted in paragraph A3 or others designed in compliance with A5. These documents shall include, but not be limited to, documents providing analysis of the environmental effects or impacts of a proposed project and documents determining or suggesting that the proposed project is exempt or categorically excluded from such environmental analysis.
6. **Environmental Damage Mitigation:** Contracts with property owners and/or third parties to mitigate environmental impacts as a result of project construction, including contracts to acquire and/or develop sites for mitigation banking, may be executed by any one of the staff noted in paragraph A3, provided the estimated cost of the mitigation is included in the relevant STIP. (Mitigation banking typically results in regulatory agency credits to offset environmental project development or construction impacts or damage at a different location.)
7. **Joint STIP Projects:**
 - a. **Governmental Agencies and Others:** Agreements with state and local governmental agencies and others for use of, and/or improvements to, roadways within their jurisdictions to facilitate improvements to the state transportation system may be executed by any one of the staff noted in paragraph A3, provided the monetary obligation of the Commission does not exceed the amount approved in the STIP.
 - b. **Innovative Finance/Project Acceleration:** Agreements by which entities accelerate a project on the Commission-approved STIP by providing the cost of financing and the Commission commits to future repayment of project costs, may be executed by any one of the staff noted in paragraph A3, provided the agreements are in compliance with all related Commission policies.
 - c. **Economic Development:** Agreements, applications, and related documents with the Missouri Department of Economic Development or the Missouri Development Finance Board concerning the Commission receiving contributions for the construction of transportation projects may be executed by any one of the staff noted in paragraph A3, provided the subject project has been approved by the Commission.

d. **Transportation Corporations and Development Districts:**

- (1) Agreements with Transportation Corporations may be executed by any one of the staff noted in paragraph A3, except that the following matters require Commission approval: project authorization; articles of incorporation; by-laws; final financing plan; and final construction plans and specifications.
 - (2) Agreements with Transportation Development Districts may be executed by any one of the staff noted in paragraph A3, except that the following matters require Commission approval: project authorization and final plans and specifications.
8. **Multimodal Operations Work Program:** Any one of the staff noted in paragraph A3 or the Multimodal Operations Director may increase the limits of projects in the Multimodal Operations Work Program by a maximum of 10 percent of the estimated cost or \$75,000 and establish new projects in an amount not to exceed \$75,000. In addition, any one of the staff noted in paragraph A3 or the Multimodal Operations Director may execute all documents necessary to carry out the approved program.
9. **Right-of-Way Acquisition and Relocation:** Any one of the staff noted in paragraph A3, the Right of Way Director, District Engineers, or others designated in compliance with paragraph A5, may execute documents and expend funds for costs associated with the acquisition of right-of-way on projects noted in the STIP, including (1) contracts with property owners and/or third parties providing for mitigation of damage to real property as a result of the right-of-way acquisition process and (2) documents related to relocation of owners and tenants. Expenditures may exceed the amount approved in the STIP on individual projects; however, the aggregate expenditures for all projects must not exceed the aggregate amount in the STIP.
 - a. **Firm Offers:** The authority to arrive at an approved firm offer for right-of-way to be acquired by the Department is vested with the Right of Way Division. Any one of the staff noted in paragraph A3, the Right of Way Director, or the respective District Engineer may execute the letter binding the Commission to the firm offer extended by the District Right of Way Managers, Right of Way Specialists, Right of Way Agents, or Deed Writers.
 - b. **Acquisition Agreements:** Agreements for use in acquiring land when an escrow agreement is not appropriate may be executed by any one of the staff noted in paragraph A3, the Right of Way Director, or the respective District Engineer, District Right-of-Way Manager, or Right of Way Specialist.

10. **Sales Tax Exemption Certificates:** Agreements with tax exempt entities (including cities, counties, public and private not-for-profit agencies and other charitable organizations) to allow the entities to take advantage of their sales tax exemption on materials used on roadway construction projects significantly funded by the local entities may be executed by any one of the staff noted in paragraph A3. The sales tax exemption certificate approved by the Missouri Department of Revenue will be included in the bidding documents for MoDOT administered projects.
11. **Statewide Transportation Improvement Program Implementation:** Agreements, other than those identified above necessary to provide the improvements contemplated by the Statewide Transportation Improvement Program wherein there is no cost or the cost is \$200,000 or less may be executed by any one of the staff noted in paragraph A3.

C. Operating Budget – The Operating Budget shall be approved by the Commission.

1. **Operating Budget Appropriations:** The staff noted below may approve bids, quotes, and otherwise expend funds and execute agreements and contracts in keeping with the following:
 - a. The expenditures shall not exceed the appropriations approved by the Commission in the respective fiscal year's budget.
 - b. Expenditures must be in compliance with the Commission's Debt Management Policy.
 - c. The Director, Chief Engineer, and Chief Financial Officer may expend funds and execute agreements and contracts up to the amount of the appropriation.
 - d. The Director of Program Delivery, Director of System Management, and Deputy Administrative Officer may expend funds and execute agreements and contracts up to \$1 million per transaction.
 - e. Division Heads and District Engineers may expend funds and execute agreements and contracts up to \$200,000 per transaction.
2. **Capital Improvement Plan:** A Capital Improvement Plan identifying specific projects will be presented to the Commission through the budget process
 - a. **Bids/Contracts:** Any one of the staff noted in paragraph A3, or others designated in compliance with paragraph A5, may approve bids and execute contracts for capital improvements, except that the total expenditures cannot exceed the total amount of the Commission-approved Capital Improvement Plan. This approval is subject to concurrent or prior approval of the Office of Administration and/or the Board of Public Buildings, where applicable

- b. **Capital Improvement Plan Construction Change Orders:** Change orders may be executed as delegated by the Director; however, revisions in the contract amounts meeting any of the three following criteria must have the concurrent approval of the Chief Engineer and the Chief Financial Officer or Deputy Administrative Officer: (1) additions greater than 50% if the original contract amount was \$250,000 or less; (2) additions greater than 25% if the original contract amount was greater than \$250,000; or (3) additions greater than \$500,000.
- c. **Hourly Rate Architectural/Engineering Services, Capital Improvements:** Hourly rate professional services agreements on an on-call, as-needed basis to address capital improvement and capital asset preservation projects may be executed by any one of the staff noted in paragraph A3 or the General Services Director. The one-year agreements may be renewed by the staff for four additional one-year periods.
- 3. **Joint Non-STIP Related Projects:** Any one of the staff noted in paragraph A3 is authorized to execute agreements wherein the terms of participating in a joint transportation improvement or other cooperative effort are outlined.
- 4. **Materials Standardization Services:** Agreements with the AASHTO Materials Reference Laboratory for materials standardization services may be executed by any one of the staff noted in paragraph A3.
- 5. **Consultant Statewide Engineering Services Contracts:** Master agreements for hourly rate professional engineering services limited to \$100,000 per single work order for a period of three years plus a one-year extension option based on the consultant's performance may be executed by any one of the staff noted in paragraph A3 provided selection is in keeping with Chapter 8 of the Revised Statutes of Missouri. Any one of the staff noted in paragraph A3, any District Engineer, or any division leader may execute individual work orders for services to be performed in his/her respective district or division under the terms of the master agreement.
- 6. **State Planning and Research Funds:** Any one of the staff noted in paragraph A3, the Director of Organizational Results, or others authorized through agreements with universities pertaining to Missouri Technology Institute (MTI), may approve bids, quotes, and otherwise expend funds and execute purchase agreements and contracts for materials and services necessary to carry out the Department's state planning and research funds provided that (1) no single transaction will exceed \$200,000 without approval of the Director, Chief Engineer, or Chief Financial Officer, (2) the expenditures do not exceed the amount of state planning and research funds reflected in Federal Highway Administration's State Planning and Research Work Program, and (3) the expenditures do not exceed that approved for

each unit's appropriation amounts in the respective fiscal year's budget. This authority includes, but is not limited to, agreements with the National Academy of Sciences, the Federal Highway Administration, universities, other states, or other entities pertaining to research projects and testing functions.

D. Funds Transfers and Reimbursement Agreements

1. **Funds Transfers:** Formal documents effecting monthly transfers between the State Highways and Transportation Department Fund and the State Road Fund may be executed by any one of the staff noted in paragraph A3 or the Controller. The Chief Financial Officer will maintain balances in each fund necessary to meet business requirements.
2. **Federal Agencies:** Documents required by the Federal Highway Administration, the National Highway Traffic Safety Administration, or the Federal Motor Carrier Safety Administration to obtain federal-aid or reimbursement and the certificate required by federal regulations for reimbursement for right-of-way acquisition may be executed by any one of the staff noted in paragraph A3 or others designated in compliance with paragraph A5. Documents necessary to receive and expend federal funds made available by the Federal Transit Administration, the Federal Railroad Administration, the Federal Aviation Administration, the United States Coast Guard, the National Highway Traffic Safety Administration, the Federal Motor Carrier Safety Administration, or other federal agencies may be executed by any one of the staff noted in paragraph A3 or others designated in compliance with paragraph A5.
3. **Automated Clearinghouse:** Letters of credit to obtain apportionments of federal funds through the National Highway Traffic Safety Administration, the Federal Motor Carrier Safety Administration, the Federal Transit Administration, the Federal Railroad Administration, and the Federal Aviation Administration may be executed by any one of the staff noted in paragraph A3, the Multimodal Operations Director, Highway Safety Director, or Motor Carrier Services Director.
4. **Electronic Grant Management System:** Documents necessary to receive and expend federal funds made available to the Commission by federal agencies through the Electronic Grant Management System may be executed electronically or manually by any one of the staff noted in paragraph A3 or the Multimodal Operations Director, provided all funds so received and expended are included in the Multimodal Operations Work Program.
5. **Electronic Clearinghouse System:** Requests for payment through the Electronic Clearinghouse System for funds for federal projects included in the Multimodal Operations Work Program may be authorized by any one of the staff noted in paragraph A3 or the Multimodal Operations Director.

6. **Electronic Grant Tracking System:** Documents necessary to receive and expend federal funds made available to the Commission by the National Highway Traffic Safety Administration for federal projects included in the annual Highway Safety Plan may be authorized by any one of the staff noted in paragraph A3 or the Highway Safety Director.

E. Conveyance of Commission Assets: In keeping with Section 227.290, RSMo 2000 as revised. Documents conveying property rights (real estate) must be executed by the Commission's Chair or Vice Chair.

1. **Limited Access Roadways:** Contracts involving changes in access in keeping with the Commission's policy may be executed by any one of the staff noted in paragraph A3, the State Traffic Engineer, or District Engineers; however, deeds and/or other documents used to convey the property and/or property rights must be executed by the Chair or Vice Chair.
2. **Annexation:** Petitions for voluntary annexation where (1) the request documents contain no evidence of significant controversy and (2) the annexation would not be detrimental to the transportation system or the Commission may be executed by any one of the staff noted in paragraph A3 or the respective District Engineer.
3. **Changes in Route Status:** Any one of the staff noted in paragraph A3 may approve and execute documents pertaining to (1) changes in route status resulting from projects which modify the right-of-way associated with a route either by acquisition of new right-of-way or by creation of excess right-of-way, and (2) the transfer of sections of the existing state highway system to another highway system or change the purpose of the sections even when no right-of-way modifications are involved. Related documents that convey property and/or property rights must be executed by the Chair or Vice Chair.
4. **Checks:** Checks issued by the Missouri Department of Transportation for funds held outside of the State Treasury may be executed by the Chief Financial Officer and/or those delegated by the Chief Financial Officer as reflected on the banking signatory agreements.
5. **Easements:** Easements across Commission property may be approved by any one of the staff noted in paragraph A3; however, in keeping with Section 227.290(1) RSMo 2000, as amended, deeds and/or other documents used to convey the property must be executed by the Chair or Vice Chair. To avoid a violation of the Rule Against Perpetuities, the Chief Counsel's Office must review and approve as to form and content all agreements and deeds involving transactions where the Commission retains reversion rights.

6. **Equipment:**

- a. **Titles – Equipment:** Titles conveying surplus equipment and vehicles or titles conveying damaged motor vehicles necessary to effect settlement of a Commission's claim may be executed by any one of the staff noted in paragraph A3 or others designated in compliance with paragraph A5.
- b. **Titles—Lien Releases:** Lien releases on titles of vehicles purchased for transportation agencies with Federal Transit Administration funds may be executed by any one of the staff noted in paragraph A3 or the Multimodal Operations Director.
- c. **Titles and Sales Contracts—Mobile Homes and other Improvements:** Titles and contracts for the sale of mobile homes and other improvements acquired during right-of-way acquisition may be executed by any one of the staff noted in paragraph A3, the Right of Way Director, or the respective District Engineer, except that sales for less than the appraised value must be approved by the Right of Way Director.

7. **Excess Property:** In keeping with Section 227.290(1), RSMo 2000, as amended, deeds and/or other documents used to convey property and/or property rights must be executed by the Chair or Vice Chair.

- a. **Less than \$200,000:** In those cases where the staff has no evidence of controversy pertaining to the sale of excess property and where the property is appraised and conveyed for less than \$200,000, the agreements defining the terms of the conveyance may be executed by any one of the staff noted in paragraph A3; **except**, however, that proposed transactions with federal, state, or local governments to convey property at no cost or exchange interest in land or leasehold as allowed by Section 227.290(2) will be presented to the Commission for consideration.
- b. **Sales Agreements:** Contracts setting out the conditions for sale of excess property may be executed by any one of the staff noted in paragraph A3, the Right of Way Director, or the District Engineers.

8. **Use of Commission Property:** Leases and agreements for use of real property and its appurtenances may be executed by any one of the staff noted in paragraph A3 or the Right of Way Director.

F. Commission Use of Private and Other Public Assets

1. **Acceptance of Conveyances:** Any one of the staff noted in paragraph A3, the Right of Way Director, General Services Director, or respective District Engineer may execute documents accepting the conveyance of easements and property.
2. **Leases:** Leases for office space may be executed by any one of the staff noted in paragraph A3, General Services Director, or respective District Engineer.

G. Operations

1. **Adopt-A-Highway Agreements:** Agreements allowing participation in the Adopt-A-Highway Program may be executed by any one of the staff noted in paragraph A3, the State Maintenance Engineer, or respective District Engineer. Any one of the staff noted in paragraph A3 or the State Maintenance Engineer may deny applications to participate in the Adopt-A-Highway Program.
2. **Bridge Attachments:** Agreements allowing attachments to bridges may be executed by any one of the staff noted in paragraph A3.
3. **Bridge Inspection Contracts – Local Agency:** Agreements to provide for the inspection of local agency bridges deemed necessary to carry out MoDOT's obligations to inspect bridges within Missouri's borders to comply with the National Bridge Inspection Standards established under Title 23 of the Code of Federal Regulations may be executed by any one of the staff noted in paragraph A3, provided the consultant has been selected in keeping with Chapter 8 of the Revised Statutes of Missouri. These agreements incur no direct cost to the Commission.
4. **Highway Safety Program Operations:** Any document, other than those contemplated by the Commission-approved appropriation in the respective fiscal year's operating budget, necessary to fulfill the responsibilities of the Highway Safety Program and the Motor Carrier Safety Assistance Program may be executed by any of the staff noted in paragraph A3, the Director of Highway Safety, or others designated in compliance with paragraph A5.
5. **Lighting:** Contracts for the installation of highway lighting may be executed by any one of the staff noted in paragraph A3, the State Traffic Engineer, or respective District Engineer.

6. **Maintenance Agreements:** Agreements with cities, counties or other political subdivisions for and concerning the maintenance of, and regulation of traffic on any state highway within such cities, counties or subdivisions may be executed by any one of the staff noted in paragraph A3, the State Maintenance Engineer, or respective District Engineer.
7. **Motor Carrier and Rail Industry Operations:** Any document, other than those contemplated by the Commission-approved appropriation in the respective fiscal year's operating budget, necessary to fulfill the responsibilities of the Motor Carrier and Rail Industry Operations may be executed by any one of the staff noted in paragraph A3, Motor Carrier Services Director, Multimodal Operations Director, or others designated in compliance with paragraph A5.
8. **Operations Implementation:** Agreements, other than those described above that incur no costs or nominal cost (\$10,000 or less) necessary to effectively carry out MoDOT operations, may be executed by any one of the staff noted in paragraph A3.
9. **Permits:** Driveway, Excavation, Junkyard, Outdoor Advertising Permits, and Special Permits for house moves may be executed by any one of the staff noted in paragraph A3, the State Traffic Engineer, or the respective District Engineer. In keeping with Section 304.200 RSMo 2000, as amended, the Chief Engineer shall issue special permits for vehicles or equipment exceeding the limitations on width, length, height, and weight, as specified in the statutes, or which are unable to maintain minimum speed limits.
10. **Rail/Highway Crossings:** Uncontested Administrative Orders for rail/highway safety projects may be executed by any one of the staff noted in paragraph A3.
11. **Signals:** Contracts for fire station signals or preemptive devices and contracts for temporary and permanent vehicular signals at schools may be executed by any one of the staff noted in paragraph A3, the State Traffic Engineer, or the respective District Engineer.
12. **Signs:**
 - a. **Logo Signs:** Tri-party sales contracts between the advertising businesses, the administrator of the logo signing program, and the Commission may be executed by any one of the staff noted in paragraph A3, or the Controller.
 - b. **Crossings:** Contracts for signs at school, cattle, or truck crossings may be executed by any one of the staff noted in paragraph A3, the State Traffic Engineer, or the respective District Engineer.

- c. **Major Traffic Generators:** Contracts with representatives of major traffic generators outlining signing conditions may be executed by any one of the staff noted in paragraph A3, the State Traffic Engineer, or the respective District Engineer

13. **Speed Limits/Parking Restrictions:**

- a. **Speed Limit Changes:** Documents related to speed limit changes may be executed by any one of the staff noted in paragraph A3, the State Traffic Engineer, or respective District Engineer.
- b. **Parking Restrictions:** Documents pertaining to parking restrictions may be executed by any one of the staff noted in paragraph A3, the State Traffic Engineer, or the respective District Engineer. Parking restrictions within incorporated areas must be requested through a city ordinance.

H. **Administrative Settlements:**

- 1. **Contractor Claims:** Settlements involving Contractor Claims are addressed in paragraph B3b of this policy.
- 2. **Right of Way:** Settlements involving right-of-way acquisition are addressed in paragraph B9 of this policy.
- 3. **Employees:**
 - a. **Civil Rights Conciliation or Settlements:** Prior to a complaint being filed in federal court, a petition being filed in state court, or a notice of public hearing being issued by the Missouri Commission on Human Rights, conciliation agreements and settlement agreements with the Missouri Commission on Human Rights and/or the Equal Employment Opportunity Commission, may be executed by any one of the staff noted in paragraph A3.
 - b. **Employment Grievances:** Settlements as a result of employment grievances filed through MoDOT's internal grievance process, except those where the employee requests a formal termination or whistle-blower hearing, may be executed by any one of the staff noted in paragraph A3, after approval of the Director.
- 4. **Insurance Claims:**
 - a. **Insurance Claims against Others/Receipts/Payments:** Claims against insurance companies or others, partial payment agreements, and receipts or releases for payments to the Commission in satisfaction of amounts owed to the Commission may be executed by any one of the staff noted

in paragraph A3, the Risk Management Director, or an assistant to the Risk Management Director.

b. **Insurance Claims against MoDOT:** Settlement of claims against MoDOT and/or the Commission through its self-insurance programs in the amount of \$300,000 or less may be executed by any one of the staff noted in paragraph A3 or others designated in compliance with paragraph A5.

5. **Rail Industry Safety:** Pre-suit settlement agreements with railroad carriers pertaining to alleged safety violations by the railroad industry may be executed by any one of the staff noted in paragraph A3 or the Multimodal Operations Director.

6. **Motor Carrier Industry:** Pre-suit settlement agreements with motor carriers pertaining to alleged violations of safety regulations or economic laws by such motor carriers may be executed by any one of the staff noted in paragraph A3, the Motor Carrier Services Director, or others designated in compliance with paragraph A5.

I. Legal Documents – All documents below are excepted from attestation by the Secretary to the Commission.

1. **Pleadings and Settlement Authority:** The Chief Counsel, or others designated by the Chief Counsel in compliance with paragraph A5, may execute any pleading, motion, notice, stipulation, agreement, release, covenant not to sue, or other instrument in connection with court or agency proceedings to which the Commission is a party as authorized in the current Chief Counsel's Authority to Commence, Defend, and Settle Cases.

2. **Expert Witness/Consultant Services:** The Chief Counsel, or others designated by the Chief Counsel in compliance with paragraph A5, may execute contracts and expend funds for procurement of expert witnesses, consultant services, alternate dispute resolution services, and other services in the amount of \$200,000 or less.

3. **Private Counsel:** The Chief Counsel, or others designated by the Chief Counsel in compliance with paragraph A5, may execute contracts and expend funds for procurement of private counsel services in the amount of \$100,000 or less per year with any individual law firm in the following areas

- a. Condemnation
- b. Fleet vehicle liability
- c. General liability
- d. Human Resources
- e. Property damage
- f. Workers' compensation and workers' compensation subrogation

- g. Other cases in which the Chief Counsel determines that such representation will further the interest of the Commission; however, a representation which in the opinion of the Chief Counsel is not routine and is unique or sensitive will be discussed with the Commission before counsel is retained.

* * * * *

**ADMINISTRATIVE RULES, NOTICE OF PROPOSED AMENDED
RULEMAKING, 7 CRS 10-1.010, DESCRIPTION, ORGANIZATION AND
INFORMATION**

On behalf of the Director, Micki Knudsen, Human Resources Director, presented proposed amendments to Administrative rule, 7 Code of State Regulations (CRS) 10-1.010, Description, Organization and Information. The proposed amendments updates the Department's mission statement, job titles, and job responsibilities to reflect changes made to the Department's organizational structure and how the Department conducts its business. The proposed amendment also updates the address of the District 4 office and the e-mail address for sending electronic inquiries to the Department.

Via approval of the consent agenda, the Commission unanimously authorized the Secretary to the Commission to file the proposed amended rulemaking with the Joint Committee on Administrative Rules and the Office of the Secretary of State for publication in the *Missouri Register*. The Commission further authorized the Director, Chief Engineer, or Chief Financial Officer to execute any document appropriate to initiate the rulemaking process.

* * * * *

CONSIDERATION OF BIDS ON FEDERAL-AID AND STATE PROJECTS

On behalf of the Director, Dave Nichols, Director of Program Delivery, presented the following recommendations pertaining to bids received by MoDOT on May 19, 2006.

Award of Contracts May 19, 2006, Bid Opening

Mr. Nichols stated that bids for road and bridge improvement projects had been received on May 19, 2006, and he recommended awards be made to the lowest responsive and responsible bidders noted in Table I below. He further recommended that the bid of Time Striping, Inc., on Call No. 404 be declared non-responsive because the company's authorization to do business in the State of Missouri, as filed with the Secretary of State, had expired.

Table I
Award of Contracts
May 19, 2006, Bid Opening

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
301	61	Clark	J3P0423B	\$ 28,019,328.14	\$ 3062.23	Chester Bross Const. Co./C. B. Equipment Inc.	Grading, Alternate PCC or Superpave, and Construct Bridges (Alternate Paving Project)
302	19	Montgomery	J3P0693	829,050.94	810.68	JRW Construction, Inc.	Grading, Optional Pavement Signals & Lighting
402	35/670	Jackson	J4I1400*	24,362,274.11	9,920.00	Clarkson Construction Company	Replace Bridges and Retaining Walls
	35	Jackson	J4I1573				Coldmill, Bridge Rehabilitation and Resurface with Superpave
	670/35	Jackson	J4I1762				Coldmilling and Resurfacing with Superpave
403	10	Ray	J4P1770	154,429.14	656.00	Vance Brothers, Inc.	Type II Microsurfacing
404	291	Jackson	J4P1774	48,487.00	328.00	Collins & Hermann, Inc.	Install Guard Cable
405	71	Jackson	J4P1735	253,567.82	144.00	Realm Construction, Inc.	Pavement Repair and Resurfacing with Superpave
406	Various	Cass/ Clay/ Jackson/ Platte	J4P1786	544,254.11	0	Collins & Hermann, Inc.	On-Call Guardrail and Guardcable Repair
407	Various	Cass/ Clay/ Henry/ Johnson/ Lafayette/ Platte	J4P1787	376,402.60	0	Superior Rail System, LLC	On-Call Guardrail and Guardcable Repair

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
408	50 (SOR)	Johnson	J4P1668	894,411.89	1312.00	Hilty Quarries, Inc.	Grading and Optional Pavement
	50	Johnson	J4P1747				Grading and Optional Pavement to add Acceleration and Deceleration Lanes
501	5	Camden	J5P0592B	1,972,930.50	656.00	Boone Construction Co.	Grading, Optional Pavement, and Bridge-Steel Girder
601	170	St. Louis	J6I1081B**	25,953,455.12	17,979.62	Millstone Bangert, Inc.	Grading, Alternate Bid PCC or Superpave, Retaining Walls and Bridges – Steel Girder for New Interchange (Alternate Paving Project)
604	W	St. Charles	J6S1916	333,738.02	5,640.00	N.B. West Contracting Company	Intersection Modification and Traffic Signal Installation
605	170	St. Charles/ St. Louis	J6I1917	418,723.40	576.00	R. V. Wagner, Inc.	Alternate Slide Repairs (Conventional or Conventional and Recycled Plastic Reinforcement)
606	94	St. Charles	J6L0700A	2,464,692.33	3,156.00	L. Krupp Construction, Inc.	Resurfacing with Bituminous Pavement (BP-1)
	V	St. Charles	J6L0700B				Resurfacing with Bituminous Pavement (BP-1)
	94	St. Charles	J6P1878				Resurfacing with Bituminous Pavement, Drainage and Highway Lighting
607	70	St. Charles	J6I1531	2,952,871.61	0	Millstone Bangert, Inc.	Grading, Drainage and Optional Bid PCC or Superpave
608	44	Franklin/ St. Louis/ St. Louis City	J6I1832	4,940,366.23	1,177,973.00	Gerstner Electric, Inc.	Installation of Intelligent Transportation Systems (ITS) Devices
610	64	St. Louis	J6I0978E	247,167.84	0	Hayden Wrecking Corporation	Demolition and Removal Structures at Two Locations
611	Various	Franklin/ Jefferson/ St. Charles/ St. Louis/ St. Louis City	J6M0109	293,973.00	0	D & S Fencing Company	On-Call Guardrail Repair
612	Various	Franklin/ Jefferson/ St. Charles/ St. Louis/ St. Louis City	J6M0110	292,292.92	0	Collins & Hermann, Inc.	On-Call Fence Repair
801	65	Taney	J8P0609	27,216,973.57	1,984.00	McAninch Corporation	Grading, Drainage and Alternate Bid PCC or Bituminous Pavement
802	44	Greene	J8I0796	1,870,895.20	0	RMD Holdings LTD.	Guard Cable and Guardrail End Section Upgrades
803	44	Greene/ Laclede/ Webster	J8I0797	4,054,164.00	0	RMD Holdings LTD.	Guard Cable and Guardrail End Section Upgrades

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
804	65	Taney	J8P0609F	53,535.50	0	Big River Resources Corp.	Grading Wetland Mitigation Site
805	44	Douglas/ Greene/ Wright	J8I0839	784,659.00	0	James H. Drew Corporation	On-Call Guardcable Repair in Two Disconnected Sections
	44	Greene	J8I0840				On-Call Guardcable Repair
	Various	Christian/ Dallas/ Douglas/ Greene/ Hickory/ Laclede	J8P0846				On-Call Guardrail Repair
	Various	Christian/ Greene	J8P0847				On-Call Guardrail Repair
901	Various	Crawford/ Phelps/ Pulaski	J9M0064	665,276.35	0	Missouri Petroleum Products Company, LLC	Type III Microsurfacing
902	A	Carter	J9M0065	156,436.75	0	Joe's Bridge & Grading, Inc.	Optional Bid P.C.C. or Bituminous Pavement for Profile Reconstruction
X01	143	Wayne	J0S0947	159,454.50	0	Joe's Bridge & Grading, Inc.	Drainage and Slope Protection
Totals				\$130,313,811.59	\$1,224,197.53		

*Funding by City of Kansas City \$175,000.00.

**Funding by Great Rivers Greenway \$522,312.13.

Rejection of Bids, May 19, 2006, Bid Opening

Mr. Nichols recommended that Call Nos. 201, 602, and 609 received on May 19, 2006, be rejected because they are considered excessive, as noted in Table II below.

Table II
Rejection of Bids
May 19, 2006

Call No.	Route	County	Project No.
201	41	Carroll	J2P0755
602	64	St. Louis City	J6I09851/J6I1246
609	364	St. Louis	J6S1824

Concurrence in Award of Contract

Mr. Nichols recommended concurrence with the City of Blue Springs in the award of the contract noted in Table III below. The Commission will be responsible for \$6 million.

Table III
Concurrence in Award of Contract
Bids Received on May 16, 2006 by City of Blue Springs

Route	County	Job No.	Bid Amount	Contractor	Description
7	Jackson	J4S1745	\$6,290,255.13	Emery Sapp & Sons	Grading and paving from Wyatt Road to S.W. Valley Lane/S.W. Ridgeview Drive

Commission Action

After consideration and upon motion by Commissioner Michie, seconded by Commissioner Kehoe, the Commission took the following actions:

1. Declared the bid of Time Striping, Inc., on Call No. 404 to be non-responsive.
2. Awarded contracts to the lowest responsive and responsible bidders for bids received on May 19, 2006, as recommended and noted in Table I above. Non-contractual costs for these projects are shown on the above tabulation.
3. Rejected calls 201, 602, and 609 received on May 19, 2006, as shown in Table II above because they were considered excessive.
4. Concurred with the City of Blue Springs in the award of contract as shown in Table III above.

In keeping with the Commission's Delegation of Authority to Execute Documents, the Director, Chief Engineer, Chief Financial Officer, or the Director of Program Delivery may execute the contracts awarded above.

The Commission commended the staff and contraction firms that perform work on state road and bridge projects for their efforts to minimize cost escalation during a time when the market prices are increasing. The Commission further clarified that all contracts pertaining to the Smooth Roads Initiative Program have been awarded.

* * * * *

ROADWAY LOCATION AND DESIGN APPROVAL

On behalf of the Director, Beth Wright, District 4 Engineer, informed the Commission that preliminary plans and exhibits for the following project were advertised for and presented at a public hearing.

**Route 92, Platte County
Bridge over Todd Creek
0.6 mile east of Route B
Job No. J4P1452**

Public Hearing Held March 28, 2006

This proposed improvement will replace the existing bridge and approach roadway in the same location with 12-foot lanes and 4-foot paved shoulders. This project will have normal access right of way. The road will be closed and a detour provided. This project is 0.4 mile in length.

Ms. Wright recommended approval of the location and design as presented at the public hearing.

After, full consideration, of the favorable and adverse economic, social, and environmental effects of the recommended location and design, the Commission via approval of the Consent Agenda unanimously found and determined the recommended location and design would best serve the interest of the public and approved the recommendations.

* * * * *

RATIFICATION AND APPROVAL OF RIGHT OF WAY PLANS FOR CONDEMNATION

On behalf of the Director, Dave Nichols, Director of Program Delivery, recommended the Commission ratify the approval of the Chief Engineer of the following right of way plans, which have been filed for condemnation.

<u>County</u>	<u>Route</u>	<u>Job Number</u>	<u>Date Commission Approved Design</u>
Macon	36	J2P0482	January 11, 2006
Howell	60	J9P0364	August 13, 2005
Cape Girardeau	34	J0U0598C	May 3, 2002
Bollinger/Madison	72	J0P0847	January 11, 2006
Cape Girardeau	25/77/AB	J0P0904	February 2, 2005
St. Francois	67	J0P0591I	January 17, 1997

In accordance with Section 227.050 RSMo 2000, as amended, the Commission, via approval of the Consent Agenda, approved the right of way plans for the above noted projects and directed they be filed as necessary for the condemnation of right of way.

* * * * *

HIGHWAY 63 TRANSPORTATION CORPORATION; APPOINTMENT OF BOARD MEMBERS

On behalf of the Director, Dan Niec, District 2 Engineer and Kirk Boyer, Resource Management Director, conveyed the recommendation of the Highway 63 Transportation Corporation Board of Directors that Mr. Harold Osborn, Ms. Mary Magers, and Mr. Bob Henselman be reappointed to the Board for three-year terms expiring June 14, 2009, and that Mr. Drew Belt and Mr. Tim Crist be appointed to three-year terms expiring June 14, 2009.

Via approval of the consent agenda, the Commission unanimously approved the appointments and reappointments to the Highway 63 Transportation Corporation as recommended and noted above.

* * * * *

**APPROVAL OF UNDERWRITERS FOR SERIES 2006
STATE ROAD BONDS AND AUTHORITY TO PROCURE AND
EXECUTE A QUALIFIED SWAP AGREEMENT FOR SERIES 2007
STATE ROAD BONDS**

On behalf of the Director, Kirk Boyer, Resource Management Director, advised the Commission that the staff was anticipating the sale of bonds to fund the cost of the “Smoother, Safer, Sooner” construction program. He proposed that the sale be divided into two series and recommended that the underwriting teams and institutional designation rules for the Series 2006 state road bonds be approved as noted below:

Series A 2006

- Approximately \$305 million
- Expected Maturities: 2009 through 2021

Underwriting Teams:

Senior Manager:

RBC Capital Markets

Co-Seniors:

A.G. Edwards
Citigroup

Co-Managers:

Banc of America Securities, LLC
Commerce Bank N.A.
Edward Jones
Loop Capital Markets, LLC
Merrill Lynch
Oppenheimer & Co.
Siebert Brandford Shank & Co., LLC
Stifel, Nicolaus & Company, Inc.

Series B 2006

- Approximately \$495 million
- Expected Maturities: 2022 through 2026

Underwriting Teams:

Senior Manager:

Banc of America Securities, LLC

Co-Seniors:

A.G. Edwards
Citigroup

Co-Managers:

RBC Capital Markets
Commerce Bank N.A.
Edward Jones
Loop Capital Markets, LLC
Merrill Lynch
Oppenheimer & Co.
Siebert Brandford Shank & Co., LLC
Stifel, Nicolaus & Company, Inc.

Institutional Designation Rules:

1. At least five firms must be designated.
2. The minimum designation is 5%.
3. No firm may be designated for more than 50%.
4. The Senior Manager and each Co-Senior must be designated for at least 10%.
5. A DBE firm must be designated for at least 5%.

Mr. Boyer explained that the bonds would be sold in a two-day period. On the first day, the sale will be limited to retail in an attempt to attract individual buyers, such as Missouri institutions and Missouri trust firms. On the second day the sale will be “institutional” with sales to insurance companies, mutual fund managers, etc.

Mr. Boyer recommended that the following Resolution requesting bids for, and authorizing execution and delivery of, a qualified swap agreement for the MHTC Series 2007 state roads bonds be adopted by the Commission:

**RESOLUTION
RESOLUTION REQUESTING BIDS FOR, AND AUTHORIZING
THE EXECUTION AND DELIVERY OF, A QUALIFIED SWAP
AGREEMENT; AND AUTHORIZING AND APPROVING
CERTAIN DOCUMENTS AND ACTIONS IN CONNECTION
WITH THE DELIVERY OF THE QUALIFIED SWAP
AGREEMENT.**

1. The Commission is duly organized and existing under Article IV, Section 29 of the Missouri Constitution and Sections 226.005 to 226.191 of the Revised Statutes of Missouri, as amended, and is vested with the powers and duties specified in Chapters 226 and 227 of the Revised Statutes of Missouri, as amended, including authority and supervision over the construction, reconstruction and repairs of state roads, highways and bridges which are constructed, improved and maintained in whole or in part by the aid of state moneys, and of highways constructed in whole or in part by the aid of moneys appropriated by the United States government, so far as such supervision is consistent with the acts of Congress relating thereto (the “**State Highway System**”).

2. The Commission is authorized to issue state road bonds to fund construction and reconstruction projects of the state highway system, which bonds are to be issued and be payable as provided in Article IV, Section 30(b) of the Missouri Constitution, as amended.

3. The Commission proposes to issue state road bonds (the “**Series 2007 Bonds**”) during the calendar year 2007, in the principal amount not to exceed \$400,000,000, to fund construction and reconstruction projects of the State Highway System.

4. By engaging in interest rate swap transactions ("Swap Transactions") from time to time, the Commission can provide substitute interest payments and hedge all or a portion of the Commission's debt or, in effect, convert interest on all or a portion of Commission's debt from a fixed rate to a floating rate, from a floating rate to a fixed rate or from one floating rate to another floating rate, and thereby reduce the cost of borrowing on its outstanding debt by optimizing the relative amounts of fixed and floating rate obligations from time to time or the risk of variations in its debt service costs, and increase the predictability of cash flow from earnings on invested funds and thereby improve the Commission's ability to manage its funds and revenues during the period the Series 2007 Bonds will be outstanding.

5. The Commission has revised its Debt Management Policy (the "Policy") to include the use of derivative products and, in accordance with this Policy, the independent financial advisor to the Commission will complete, prior to execution of the Qualified Swap Agreement authorized by this Resolution, an analysis and recommendations (filed in the records with the Secretary to the Commission) of the economic benefits of a Swap Transaction in relation to traditional financing methods for the Series 2007 Bonds, which concludes that a Swap Transaction is expected to provide significant financial and economic benefits to the Commission without extraordinary leverage or financial risk, and that the financial risks to the Commission from using the Swap Transaction is justified in relation to the expected savings to be obtained from the Swap Transaction, in accordance with the Policy.

6. The Commission finds and determines that it is necessary and desirable in connection with the issuance of the Series 2007 Bonds that the Commission execute and deliver certain documents and that the Commission take certain other actions as herein provided.

NOW THEREFORE, BE IT RESOLVED BY THE MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION, AS FOLLOWS:

Section 1. Authorization of Qualified Swap Agreement. The Commission is authorized to execute and deliver an interest rate exchange agreement, evidenced by an International Swaps and Derivatives Association, Inc. (ISDA) Master Agreement and related schedules and confirmations (the "Qualified Swap Agreement") filed in the records of the Secretary to the Commission, with the financial institution selected as provided herein, related to the Series 2007 Bonds. The Commission hereby authorizes the qualification of financial institutions to provide for bids for the Qualified Swap Agreement in accordance with the Policy. The Qualified Swap Agreement shall be in a notional amount not to exceed the lesser of \$400,000,000 or the principal amount of the Series 2007 Bonds, for purposes aforesaid and shall be delivered under and secured by and shall have the terms and provisions permitted by the Master Bond Indenture dated as of July 1, 2005, as supplemented and amended (collectively, the "Indenture"). The Qualified Swap Agreement shall provide for the conversion of interest on the Series 2007 Bonds from a floating interest rate to a fixed interest rate not to exceed 5.50%, with a right to commence or terminate at the time of issuance of the Series 2007 Bonds at market rates, with a maturity date not later than the maturity date for the Series 2007 Bonds, and with other terms to be determined by the authorized officers of the Commission and the Missouri Department of Transportation ("MoDOT") in the manner described herein. The Qualified Swap Agreement shall be awarded by the Commission to

the financial institution(s) providing the best proposal to the Commission. The final terms shall be specified in the Qualified Swap Agreement upon the execution thereof, and the signatures of the officers of the Commission or MoDOT executing such Qualified Swap Agreement shall, subject to approval as to form by the Commission's Chief Counsel's Office, constitute conclusive evidence of their approval and the Commission's approval thereof.

Section 2. Limited Obligations. The Qualified Swap Agreement shall be a limited obligation of the Commission payable solely from the sources and in the manner as provided in the Indenture and in the Qualified Swap Agreement, and shall be secured by a pledge and assignment of and a grant of a security interest in the Trust Estate (as defined in the Indenture) and in favor of the provider of the Qualified Swap Agreement, as provided in the Indenture and the Qualified Swap Agreement. The Qualified Swap Agreement shall not be deemed to constitute a debt or liability of the State of Missouri or of any political subdivision thereof within the meaning of any State of Missouri constitutional or statutory limitation and shall not constitute a pledge of the full faith and credit of the State of Missouri or of any political subdivision thereof, but shall be payable solely from the funds provided for in the Indenture and the Qualified Swap Agreement. The State of Missouri shall not in any event be liable for the payment of the principal of, redemption premium, if any, or interest on the Qualified Swap Agreement or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Commission. No breach by the Commission of any such pledge, mortgage, obligation or agreement may impose any liability, pecuniary or otherwise, upon the State of Missouri or any charge upon its general credit or against its taxing power.

Section 3. Execution of Documents. The Chairman or the Vice Chairman of the Commission, or the Director, Chief Engineer or the Chief Financial Officer of MoDOT, are hereby authorized and directed to execute the Qualified Swap Agreement by manual or facsimile signature for and on behalf of and as the act and deed of the Commission in the manner provided in the Indenture and the Qualified Swap Agreement. The Chairman or Vice Chairman of the Commission, or the Director, Chief Engineer or the Chief Financial Officer of MoDOT, are hereby authorized and directed to execute and deliver the Qualified Swap Agreement for, and on behalf of, and as the act and deed of the Commission. The Secretary to the Commission is hereby authorized and directed to attest to the Qualified Swap Agreement and to such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 4. Further Authority. The Commission shall, and the officers, agents and employees of the Commission and MoDOT are hereby authorized and directed to, take such further action, and execute such other documents, certificates and instruments, including, without limitation, any credit enhancement, liquidity or security documents, arbitrage certificate, closing certificates, and tax forms, as may be necessary or desirable to carry out and comply with the intent of this Resolution, and to carry out, comply with and perform the duties of the Commission with respect to the Qualified Swap Agreement.

Section 5. Effective Date. This Resolution shall take effect and be in full force immediately after its adoption by the Commission.

In response to inquires from the Commission, Mr. Boyer said the staff will be monitoring the performance of the individual members on the underwriting teams in order to structure future teams on past performance. Commissioner Anderson expressed pleasure that the structure of the underwriting teams appears to allow greater participation by Missouri firms than in the past. Mr. Rahn said a refinement in the bond sale program would result in the underwriters getting compensation relative to their selling efforts.

Mr. Rahn said it had been his preference to keep the bond maturity period as short as possible and therefore the bonds sold last year had a 15-year duration. The series of bonds being proposed for sale at this time will have a 20-year duration for two reasons: (1) because the cost to borrow money is nearly the same for 15 years and 20 years, and (2) to produce a cushion for MoDOT since the primary means of bond repayments is sales tax on motor vehicles, which has substantially declined.

Upon motion by Commissioner Michie, seconded by Commissioner Gach, the Commission unanimously:

1. Authorized the underwriting teams and institutional designation rules for the Series 2006 state road bonds as shown above.
2. Adopted the above Resolution requesting bids for, and authorizing the execution and delivery of, a qualified swap agreement(s) for the MHTC Series 2007 state road bond.
3. Authorized the Director, Chief Engineer, or Chief Financial Officer to competitively procure and execute all necessary documents, with approval as to form by the Chief Counsel's Office, related to a qualified swap agreement for up to \$400 million to hedge interest costs for the Series 2007 state road bonds.

* * * * *

**MISSOURI DEPARTMENT OF TRANSPORTATION
FISCAL YEAR 2007 BUDGET
REVISED FISCAL YEAR 2006 BUDGET**

On behalf of the Director, Kirk Boyer, Resource Management Director, presented a proposed Fiscal Year 2007 budget and a revised budget for Fiscal Year 2006.

Fiscal Year 2007 Budget

Mr. Boyer noted that the Fiscal Year 2007 proposed budget totaling \$2.46 billion, which is the largest in MoDOT's history. He reviewed the revenue projections and anticipated expenditures. Mr. Boyer pointed out that the construction program, at \$1.6 billion, comprises over half of the budget. He noted that personal services increased due to the 4 percent cost-of-living increase and the job study plan. The fringe benefit increase of approximately 8 percent is primarily due to increasing retirement and medical costs.

Fiscal Year 2006 Revised Budget

Mr. Boyer presented a revised Fiscal Year 2006 budget in the amount of \$2.3 billion, which represented an increase of \$50.6 million over the budget approved by the Commission in June 2005. He explained that the increase resulted from an increase of \$26 million in federal funds for multimodal programs; \$5 million refund of gasoline taxes in conjunction with the International Fuel Tax Agreement; \$7.7 million for additional federal highway safety grants; and \$11.9 million to cover the additional revenue received from the bond sales.

Director Rahn emphasized that while the Fiscal Year 20007 budget was the largest in MoDOT's history, even greater resources are needed to provide Missourians with an adequate transportation system.

In response to Commissioner Michie's inquiry regarding development of the budget process, Chief Financial Officer Roberta Broeker stated that progress on an improved process

has been made in a short period of time; however, continued efforts will be made to determine specific needs.

In response to an inquiry from Commission Michie regarding the Information Systems' Division budget, Ms. Broeker reported that cultural changes have taken place within MoDOT wherein the Information Systems Division is now determining how technology can assist those within MoDOT to provide the outcomes needed to deliver MoDOT's tangible results.

Upon motion by Commissioner Anderson, seconded by Commissioner Michie, the Commission unanimously approved the following Fiscal Year 2006 Revised Budget and the Fiscal Year 2007 Budget Request.

Fiscal Year 2006 Revised Budget and Fiscal Year 2007 Budget Request
(Dollars in thousands)

	FY 2006 Revised Budget	FY 2007 Request
Revenues		
State Revenue	\$1,140,077	\$1,203,167
Federal Reimbursement	\$755,651	\$887,173
Bond Proceeds	\$360,000	\$800,000
Total Revenues	\$2,255,728	\$2,890,340
Expenditures		
Administration (Operations) ¹	\$46,936	\$52,264
Maintenance (Operations) ¹	\$395,597	\$422,947
Motor Carrier: Operations ¹	\$6,741	\$6,746
Refunds	\$30,800	\$30,800
	\$37,541	\$37,546
Motorist Assistance (Operations) ¹	\$3,467	\$3,608
Highway Safety: Operations ¹	\$2,613	\$3,208
Programs	\$25,204	\$27,490
	\$27,817	\$30,698
Construction: Operations ¹	\$152,915	\$167,159
Contractor Payments	\$1,057,298	\$1,145,208
Design and Bridge Consultant Payments	\$50,000	\$50,000
Accelerated Program (Reimbursements)	\$15,156	\$14,181
Right of Way Land Acquisitions	\$70,000	\$90,000
Federal Pass-Through	\$91,526	\$102,283
	\$1,436,895	\$1,568,831
Fleet, Facilities & Information Systems (Operations) ¹ :		
Fleet, Facilities, and Other	\$68,105	\$72,776
Information Systems	\$43,043	\$43,326
	\$111,148	\$116,102
Multimodal: Operations ¹	\$3,365	\$3,483
Programs	\$82,527	\$56,509
	\$85,892	\$59,992
Debt Service on Bonds	\$119,112	\$171,594
Total MoDOT Expenditures	\$2,264,405	\$2,463,582
Other Expenditures		
Other State Agencies	\$176,343	\$199,791
Miscellaneous Refunds	\$16,587	\$12,205
Total for MoDOT and Other Agencies	\$2,457,335	\$2,675,578
Excess (Deficiency) of Revenues Over Expenditures²	(\$201,607)	\$214,762

¹ Operations consists of Personal Services, Fringe Benefits and Expense & Equipment.

² Cash balance from the prior year will offset any deficiency

* * * * *

2006 LEGISLATIVE SESSION WRAP-UP

On behalf of the Director, Jay Wunderlich, Director of Governmental Affairs, reported on legislative activity during the 2006 legislative session. He attributed the success in several transportation-related proposals being enacted to (1) citizen and legislative recognition of MoDOT's capability to improve the transportation system following voter approval of Amendment 3 in 2004; (2) MoDOT's transparency as reflected by its Tracker performance measurement; and (3) MoDOT's emphasis on public input into transportation decisions and public advisories to keep the public informed.

Mr. Wunderlich reported that of the 1,940 legislative bills filed during the 2006 legislative session, 500 were transportation-related. Of the 167 bills passed during the session, 12 were transportation-related.

Mr. Wunderlich reported on the following five proposals that were included in the Commission's 2006 legislative package:

- **Primary Seat Belt Law – Not enacted.** Mr. Wunderlich reported that a proposal authorizing law enforcement officers to ticket drivers for failing to wear their seat belts without the need to have cited such drivers for another traffic offense was not enacted. He reported that the MoDOT staff would be investigating strategies to elevate this issue during the next legislative session.
- **Safety for Workers on Missouri's Right-of-Way – Enacted.** Mr. Wunderlich said the legislature passed Senate Bill 872, which imposes increased fines and assessments for repeated offenses in highway work zones. The legislation creates two additional categories of crime: endangerment of a highway worker and aggravated endangerment of a highway worker. In those cases where highway workers are injured or killed as a result of a work zone crash, a penalty of 12 points will be applied to the motorist's driver's license and the license will be suspended for one year. In addition a \$5,000 fine will be imposed if a worker is injured and a \$10,000 fine will be imposed if a worker is killed.
- **Motor Carrier Registration – Enacted.** Legislation was enacted to allow the Commission to suspend, revoke, or cancel the registration, license, permit, or other credential issued to a motor carrier if a federal agency or the Commission has issued an out-of-service order against the motor carrier (Senate Bill 1001).

- **Multi-Modal Financing – Not enacted.** A proposal to dedicate a portion of the proceeds derived from the state sales and use tax on construction materials for the issuance of state multi-modal capital improvement bonds for the purpose of funding multimodal capital improvement projects was not enacted. The staff will be looking for some type of dedicated funding source to fund other modes of transportation for possible consideration by the legislature.
- **Private-Public Partnerships – Enacted.** House Bill 1380 pertaining to private-public partnerships was enacted. This bill will allow the Commission to enter into a contractual agreement with private entities to finance, build, maintain, and operate a new Mississippi River Bridge in St. Louis.

In addition to the proposals initiated by the Commission and MoDOT discussed above, Mr. Wunderlich reported on the following proposals considered by the General Assembly that are transportation-related or have an impact on the transportation program.

- **Eminent Domain Reform** – Mr. Wunderlich said the use of eminent domain was widely debated by the legislature as a result of the U.S. Supreme Court decision that allowed the use of eminent domain for economic purposes. He said the bill that was ultimately enacted was well balanced overall, but contained two provisions that will increase the cost of acquiring property for roadway improvements (only the highest will apply): (1) Homestead taking, which generally pertains to property on which the property owner lives, will require an amount equal to fair market value plus an additional 25 percent; and (2) Heritage taking, which pertains to property that has been in a single family for 50 or more years, will require an amount equal to fair market value plus an additional 50 percent). The bill also increases the timeframe for acquiring property through the condemnation process.

The following bills which were supported by MoDOT failed to be enacted as a result of time constraints.

- **Electronic Bidding** – This proposal would have allowed the Commission to require bids for highway and bridge contracts to be submitted in electronic format.
- **Outdoor Advertising** – This bill would have allowed the Commission and MoDOT to void the issuance of outdoor permits if issued under false pretenses.
- **Sales Tax Exemption** – This proposal would have exempted construction materials used on MoDOT projects from sales tax exemption.

The following bill was not enacted and was not supported by MoDOT.

- **Repeal of state's motorcycle helmet law** – Attempts to repeal the state's current motorcycle helmet law failed. While supporters of this proposal believe a mandated helmet law infringes on the rights of motorcycle riders, studies show motorcycle helmets save lives and reduce head injuries.

Mr. Wunderlich publicly thanked Senator Steve Bill Stouffer, Chairman of the Senate Transportation Committee, and Representative Neal St. Onge, Chairman of the House Transportation Committee, for their leadership in advancing transportation-related measures.

Director Rahn credited the success in legislative enactment of the Public-Private Partnership bill to Mr. Wunderlich's capability. The Commission commended Mr. Wunderlich and his staff for their tireless efforts during the legislative session.

* * * * *

OVERVIEW OF MULTIMODAL PLANNING AND PASSENGER RAIL SERVICE PROPOSAL

On behalf of the Director, Brian Weiler, Director of Multimodal Operations, advised the Commission that the Multimodal Division had recently completed three planning projects involving non-highway transportation modes and has several more in various stages. He provided an overview of the major findings.

Impact of Declining Intercity Bus Service in Missouri – Three major bus companies provide intercity passenger service in Missouri: Greyhound, Jefferson, and Burlington Trailways. The intercity bus industry is going through a period of change in order to remain viable as a public choice transportation mode. As a result, the number of intercity bus stops in Missouri has declined from 50 in 2003 to 32 in 2006. This study outlines community demographics, impacts from service cuts, ridership levels, passenger surveys, and recommended improvements.

Missouri Public Port Authorities: Assessment of Importance and Needs – This study assessed the state system of 14 public port authorities and the waterway network in general. Analysis included port size, employment, beneficiaries, potential for improvement, and cargo quantities in terms of annual tonnage and dollar value. The needs assessment included general needs for navigation and specific port needs for infrastructure, equipment, and support facilities as reported by Public Port Authorities.

Mr. Weiler showed a chart reflecting a higher household income along the river corridors. He noted that the primary product coming into the state by waterways is liquid agricultural fertilizer and the primary products moving out of the state by waterways are farm grains. In total, Missouri's waterways carry more than 34 million tons annually worth an estimated \$2 billion. The ports in Missouri handle approximately 2.7 million tons of cargo worth an estimated \$200 million.

Missouri State Airport System Plan – This plan outlines goals and objectives for development of Missouri's system of 114 public-use airports. They are utilized by approximately 11,000 pilots and over 3,200 based aircraft. Last year there were 1.7 million aviation operations in Missouri, 60 percent of which were general aviation activities. Airports are categorized by service roles (commercial, regional, business, or community) and minimum facility requirements are identified within each role.

The system development and maintenance cost over 20 years will average \$35 million per year for general aviation airports. General aviation in Missouri is funded by Missouri's sales tax on jet fuel and federal block grants; however, the total amount of \$25 million leaves a \$10 million annual gap in Missouri's ability to meet general aviation needs.

Facility gaps are highlighted and aid in the development of MoDOT's five-year aviation program in the STIP. Mr. Weiler anticipated that by 2022, 900 additional Missouri based aircraft will need to be accommodated, most of which will be larger, faster, more sophisticated business aircraft requiring better facilities.

The Missouri State Airport System Plan also included an economic analysis of the aviation system and an airfield pavement maintenance plan. Aviation employs 150,000 people in Missouri and has an impact of \$80 billion. An individual economic analysis was completed and distributed to each airport. In addition individual pavement management plans were prepared for the 70 largest airports.

Expansion of Missouri Passenger Rail Service to Springfield – Mr. Weiler announced that MoDOT is in the early stages of returning rail passenger service to the Springfield area. Missouri currently supports twice daily passenger rail service between Kansas City and St. Louis, with eight intermediate stops. A new proposal being considered is to add daily service between Springfield and St. Louis, with stops in Lebanon, Rolla, Sullivan, and Kirkwood. The service would primarily utilize existing track owned by BNSF Railway that generally parallels the I-44 highway corridor. Mr. Weiler discussed challenges to be resolved prior to implementation of this expansion, but he said the proposal shows good long-term promise.

Commissioner Michie noted that a dedicated funding source for the multimodal areas is critical to developing each of the modes in a manner to maximize their potential benefit to Missouri. Commissioner Michie and Director Rahn commended Mr. Weiler on his innovative work in the multimodal transportation area.

* * * * *

RURAL PUBLIC TRANSIT MARKETING PROGRAM

On behalf of the Director, Brian Weiler, Multimodal Operations Director, recommended approval of a contract with Transit Marketing, LLC, for rural transit marketing services at a minimum cost of \$67,710 (development of ads, videos, and media training for transit agencies) and a maximum project cost of \$225,000 (includes media purchases). Mr. Weiler reported that two proposals had been received for the marketing services; the proposals were evaluated by a team comprised of rural transit agency managers and MoDOT staff.

Via approval of the consent agenda, the Commission unanimously approved the recommendation and authorized the Director, Chief Engineer, Chief Financial Officer, or Director of Multimodal Operations to execute the contract.

* * * * *

--- REPORTS ---

FINANCIAL REPORT – FISCAL YEAR 2006

Roberta Broeker, Chief Financial Officer, presented the Financial Report for the ten months ended April 30, 2006, with budget and prior year comparisons.

* * * * *

* * * * *

By unanimous consensus of all members present, the meeting of the Commission
adjourned.

* * * * *